

New Student Loan Rule Could Dissuade People From Advanced Nursing Degrees

Yet nurse practitioners, anesthetists and midwives are needed to fill clinician gaps.

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Zoe Clarke became a hospital registered nurse two and a half years ago, following in the footsteps of her mother and grandmother.

Clarke, an ICU nurse in Asheville, North Carolina, wants to get her master's degree to become a nurse practitioner or a certified registered nurse anesthetist — occupations in high demand — and eventually work toward a doctoral degree.

But new borrowing limits on federal student loans may hinder her from reaching that goal.

A provision in the federal One Big Beautiful Bill Act, the tax and spending law enacted this summer, overhauls the federal student loan program for graduate students in an effort to simplify the loan process and discourage colleges from raising tuition.

To comply with the new law, the U.S. Department of Education recently issued a draft rule that would impose limits on how much graduate students can borrow — up to \$20,500 per year and \$100,000 in total for most students, but up to \$50,000 a year and \$200,000 in total for students in a new “professional” category. The category includes people studying to be medical doctors, dentists, veterinarians, pharmacists and lawyers.

Students pursuing advanced nursing degrees, however, are not included in the professional category.

Advanced practice nurses, hospital associations and other health groups say the rule will make it unaffordable for many nurses to advance their careers — disproportionately affecting communities, especially rural ones, that rely on them amid physician shortages.

Advanced nurses can provide primary care, deliver babies as nurse midwives and anesthetize surgery patients where there aren't enough physicians to go around. They can also write some prescriptions. Advanced practice nurses also serve as college faculty in community colleges and

nursing schools.

The U.S. Bureau of Labor Statistics estimates the nation will employ an additional 134,000 nurse practitioners, nurse midwives and nurse anesthetists in the next decade, 35% more than there are now. In high demand, nurse practitioners are one of the fastest-growing occupations in the nation, the bureau says.

“We depend heavily on nurse practitioners,” said Sandy Reding, a president of the California Nurses Association and vice president of National Nurses United. “But if they don’t have access to getting further education, we’re not going to see additional nurse practitioners come into the field.”

Tuition, combined with living expenses, can far exceed \$50,000 a year for many post-bachelor’s nursing programs.

“Potentially, this could devastate a whole generation of nurses getting their advanced practice degrees,” Clarke said.

Some education advocates fear that losing a pipeline of advanced nursing practitioners to serve as college faculty also could lead to fewer registered and advanced nurses and other caregivers with two- and four-year degrees, because there would be fewer people to teach them.

It’s a slap in the face to the nurses that go to work every day doing our very best to care for our patients.

– Sandy Reding, a president of the California Nurses Association

Many advanced-degree nursing faculty are retiring. Nursing schools reported more than 2,100 full-time faculty vacancies in 2022, according to the American Nurses Association — leading to roughly 80,000 students being turned away.

States are already grappling with workforce shortfalls caused by exhausting work conditions that have led many nurses to burn out and leave the field, or leave bedside care to teach, nurses told Stateline.

In response to an uproar from nursing associations and others in health care, the Department of Education released a rebuttal last week defending its proposal, saying it is not a “value judgement about the importance of programs.”

It also said it may make changes in response to public comments. The new limits would take effect July 1, 2026.

Rural and underserved communities

Advanced practice registered nurses, known as APRNs, fill gaps in rural communities where there aren't enough clinicians. For example, nurses needed for surgeries — nurse anesthetists, or CRNAs — [make up](#) 80% of anesthesia providers in rural counties. About a fifth of APRNs nationwide worked in rural areas in 2022, according to one survey of more than 18,800 APRNs.

"The nurse practitioners, APRNs, are a needed lifeline to help fill those gaps," said Heidi Lucas, executive director of the Missouri Rural Health Association and former director of the state's nurses association. "Putting barriers in the way to keep [nurses] from getting degrees — that's just going to exacerbate the problems that we already have."

She said Missouri will be short about 2,000 physicians next year.

The new rule cutting options for federal student loans would only worsen staffing shortages amid tenuous rural hospital budgets, said state-level observers. Hospitals already are grappling with millions of dollars in looming Medicaid cuts over the next 10 years, said Rich Rasmussen, president of the Oklahoma Hospital Association.

Nurse practitioners often serve as primary care providers, writing prescriptions and managing patient care. About 80% of them see Medicaid and Medicare patients, according to the American Association of Nurse Practitioners, citing federal data from the Centers for Medicare and Medicaid Services.

The proposal to deny advanced practice nurse practitioners the more generous loan options ignores the nation's needs, said nurse practitioner Valerie Fuller, president of the association.

"At a time when America needs more health care providers, we can't afford to put more obstacles in place for nurse practitioner students who want to go on and further their education and take care of the patients that need care," said Fuller, former president of the Maine Nurse Practitioner Association. "We know it's going to harm our workforce."

'Clipping the wings'

Rasmussen, of the Oklahoma Hospital Association, said he is concerned about the effect the rule will have on the pipeline for certified nurse midwives and the state's already dwindling rural maternal health care options.

"We are clipping the wings of rural [obstetrics] to be able to blossom in our state if we're going to put these types of restrictions on the borrowing capability of nurses who want to pursue

obstetrical services in nursing as well,” he said. He added that the rules will force nurses to seek private sector loans — which don’t qualify for federal loan forgiveness programs that encourage clinicians to come work in rural areas.

Teshieka Curtis-Pugh, executive director of the South Carolina Nurses Association, is also concerned about nurse midwives. South Carolina is expected to see a shortage of 3,200 physicians by 2030.

“We also live in a state that has very poor maternal outcomes, especially for women of color. So think about, how does that impact them?” she said. “That means we don’t get the certified nurse midwives who are masters prepared, some of them are doctorally prepared, who are able to fill that gap for birth in that area.”

Diversity and opportunity for students from marginalized groups could also take a hit, said Curtis-Pugh, a registered nurse with a master’s of science in nursing. And for those going back to school while juggling parenting, federal loan dollars can help beyond tuition, she noted.

“They help that mom be able to supplement child care for their child, so that they can have child care while they go to school,” she said. “There’s tuition, there’s books, there’s keeping the lights on. They’re feeding the family they’re getting to and from.”

The exclusion from the higher, “professional” category of student loan options is especially galling after nurses’ work during the COVID-19 pandemic, said Reding, of National Nurses United.

“We were all heroes in 2020. Now, what are we?” Reding asked. “It’s a slap in the face to the nurses that go to work every day doing our very best to care for our patients, even under very adverse conditions and even facing deadly viruses.”

Clarke, the registered nurse considering a post-bachelor’s degree, said nurses’ pandemic-era devotion influenced her own career path.

“When I saw the nurses and the health care workers really working hard for their communities and sacrificing a lot, I was really inspired by that,” Clarke said. “And that’s why I went to school.”

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